

# HOUSE BILL No. 1280

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 9-25.

**Synopsis:** Proof of financial responsibility. Allows the bureau of motor vehicles discretion in determining whether extenuating circumstances preventing an individual from providing proof of motor vehicle financial responsibility relieve the individual from suspension of the individual's driving privileges or the motor vehicle registration, or both.

**Effective:** July 1, 2016.

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## Borders

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January 12, 2016, read first time and referred to Committee on Roads and Transportation.

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Second Regular Session of the 119th General Assembly (2016)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2015 Regular Session of the General Assembly.

## HOUSE BILL No. 1280

A BILL FOR AN ACT to amend the Indiana Code concerning motor vehicles.

*Be it enacted by the General Assembly of the State of Indiana:*

1       SECTION 1. IC 9-25-3-4, AS AMENDED BY P.L.59-2013,  
2       SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3       JULY 1, 2016]: Sec. 4. **(a)** Whenever the proof of financial  
4       responsibility filed by a person under this article no longer fulfills the  
5       purpose for which the proof was required, the bureau shall require from  
6       the person other proof of financial responsibility under this article.  
7       **Subject to subsection (b)**, if the person does not provide other proof  
8       of financial responsibility under this article, the bureau shall suspend  
9       the driving privileges or motor vehicle registration, or both, as  
10      determined by the bureau, of the person.

11      **(b) If the bureau determines that extenuating circumstances**  
12      **prevent a person from providing other proof of financial**  
13      **responsibility under subsection (a), the bureau may determine not**  
14      **to suspend the driving privileges or motor vehicle registration, or**  
15      **both.**

16      SECTION 2. IC 9-25-4-3, AS AMENDED BY P.L.59-2013,  
17      SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



JULY 1, 2016]: Sec. 3. (a) Financial responsibility in one (1) of the forms required under this chapter must be continuously maintained as long as a motor vehicle is operated on a public highway in Indiana.

(b) The bureau may, at any time, verify that a person has financial responsibility in effect as required under this article.

(c) **Subject to subsection (d)**, the bureau shall suspend the driving privileges or motor vehicle registration, or both, of a person who fails to maintain financial responsibility as required under this article.

**(d) If the bureau determines that extenuating circumstances prevent a person from providing verification that financial responsibility is in effect under this section, the bureau may determine not to suspend the driving privileges or motor vehicle registration, or both.**

~~(d)~~ (e) In order to comply with this section, the bureau may contract with a third party to request proof of financial responsibility from a person as required under this article. The third party must comply with the requirements of this article and any rules adopted by the bureau.

SECTION 3. IC 9-25-5-1, AS AMENDED BY P.L.59-2013, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 1. (a) If a person is convicted of a traffic offense that requires a court appearance, the court shall require the person to show proof that financial responsibility was in force on the date of the violation in one (1) of the forms described in IC 9-25-4-4 or in the form of a certificate of self-insurance issued under IC 9-25-4-11.

(b) If a person fails to provide proof of financial responsibility as required by this section, the court shall suspend the person's current driving privileges or motor vehicle registration, or both. If the court fails to recommend a fixed term of suspension, or recommends a fixed term that is less than the minimum term of suspension required under this article, the bureau shall, **subject to subsection (c)**, impose the applicable minimum term of suspension required under this article.

**(c) If the:**

**(1) court fails to recommend at least the minimum term of suspension required under this article; and**

**(2) bureau determines that extenuating circumstances prevented the person from providing proof of financial responsibility;**

**as described in subsection (b), the bureau may determine not to suspend the driving privileges or motor vehicle registration, or both.**

~~(c)~~ (d) A suspension under this section is subject to the same provisions concerning procedure for suspension, duration of



1 suspension, and reinstatement applicable to other suspensions under  
2 this article.

3 SECTION 4. IC 9-25-6-3, AS AMENDED BY P.L.188-2015,  
4 SECTION 97, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
5 JULY 1, 2016]: Sec. 3. (a) If the bureau:

6 (1) does not receive a certificate of compliance for a person  
7 identified under IC 9-25-5-2 within forty (40) days after the date  
8 on which the bureau mailed the request for evidence of financial  
9 responsibility to the person; or

10 (2) receives a certificate that does not indicate that financial  
11 responsibility was in effect with respect to the motor vehicle  
12 operated by the person or operation of the motor vehicle by the  
13 person on the date of the accident referred to in IC 9-25-5-2;  
14 the bureau shall take action under subsection (d).

15 (b) If the bureau:

16 (1) does not receive a certificate of compliance for a person  
17 presented with a request for evidence of financial responsibility  
18 under IC 9-25-9-1 within forty (40) days after the date on which  
19 the person was presented with the request; or

20 (2) receives a certificate that does not indicate that financial  
21 responsibility was in effect with respect to the motor vehicle or  
22 operation of the motor vehicle that the person was operating when  
23 the person committed the violation described in the judgment or  
24 abstract received by the bureau under IC 9-25-9-1;  
25 the bureau shall take action under subsection (d).

26 (c) If the bureau:

27 (1) does not receive a certificate of compliance for a person  
28 presented with a request under IC 9-25-10 (before its repeal) not  
29 later than forty (40) days after the date on which the person was  
30 presented with the request; or

31 (2) receives a certificate that does not indicate that financial  
32 responsibility was in effect on the date requested;  
33 the bureau shall take action under subsection (d).

34 (d) Under the conditions set forth in subsection (a), (b), or (c), the  
35 bureau shall, **subject to subsection (g)**, immediately suspend the  
36 person's driving privileges or motor vehicle registration, or both, as  
37 determined by the bureau, for at least ninety (90) days and not more  
38 than one (1) year. The suspension of a person's driving privileges or  
39 motor vehicle registration, or both, may be imposed only one (1) time  
40 under this subsection or IC 9-25-8-2 for the same incident.

41 (e) Except as provided in subsection (f) **and subject to subsection**  
42 **(g)**, if subsection (a), (b), or (c) applies to a person, the bureau shall



1 suspend the driving privileges of the person irrespective of the  
2 following:

3 (1) The sale or other disposition of the motor vehicle by the  
4 owner.

5 (2) The cancellation or expiration of the registration of the motor  
6 vehicle.

7 (3) An assertion by the person that the person did not own the  
8 motor vehicle and therefore had no control over whether financial  
9 responsibility was in effect with respect to the motor vehicle.

10 (f) The bureau shall not suspend the driving privileges of a person  
11 to which subsection (a), (b), or (c) applies if the person, through a  
12 certificate of compliance or another communication with the bureau,  
13 establishes to the satisfaction of the bureau that the motor vehicle that  
14 the person was operating when the accident referred to in subsection  
15 (a) took place or when the violation referred to in subsection (b) or (c)  
16 was committed was:

17 (1) rented from a rental company; or

18 (2) owned by the person's employer and operated by the person in  
19 the normal course of the person's employment.

20 **(g) If the bureau determines that extenuating circumstances**  
21 **prevented a person from providing a certificate of compliance as**  
22 **required by subsection (a), (b), or (c), the bureau may determine**  
23 **not to suspend the driving privileges or motor vehicle registration,**  
24 **or both.**

